

**T**his brochure provides a detailed explanation of the contents of the Form W-2 issued to you for tax year 2007 (26 pay periods). This represents taxable income you have received during calendar year 2007. Due to the actual timing of cash receipts, this amount may vary from your stated annual salary. It will also include non-cash benefits (parking, housing, tangible assets, use of state provided vehicle, certain health insurance) if applicable. You will be issued only one Form W-2 for tax year 2007, concluding with pay period ending December 22, 2007.

### Pretax Deductions

The following deductions are excluded from your gross earnings in Box 1 for the purpose of **federal tax withholding**: Contributions to Regular Retirement; Dependent Care Assistance Plan and fees; Deferred Compensation §457(b) for both Voluntary and Mandatory (OBRA 90) contributions; Tax Sheltered Annuities §403(b); Health Insurance Premiums, Health Care Spending Account contributions and fees; and Transit Passes.

The following deductions are excluded from your gross earnings in Box 16 for the purpose of **state tax withholding**: Dependent Care Assistance Plan and fees; Deferred Compensation §457(b) for both Voluntary and Mandatory (OBRA 90) contributions; Tax Sheltered Annuities §403(b); Health Insurance Premiums and Health Care Spending Account; contributions and fees; and Transit Passes.

**Please contact your department's payroll office if:**

- 1. You have a Question** about your W-2.
- 2. You need a Reprint** of your Form W-2.
- 3. You need a W-2C Statement of Corrected Income and Tax Amounts.** A W-2C is needed if your name, social security number or any of the federal reported amounts are incorrect.



### Massachusetts Department of Revenue

1 Wages, tips, other comp. <b>21,300.44</b>	2 Federal income tax withheld <b>2,287.78</b>
3 Social security wages	4 Social security tax withheld
5 Medicare wages and tips	6 Medicare tax withheld
a Control number	OMB No. 1545-0008
b Employer's ID number <b>04-6002284</b>	
c Employer's name, address, and ZIP code <b>COMMONWEALTH OF MASSACHUSETTS</b>	
d Employer's social security number <b>000-00-0000</b>	
e Employee's name, address, and ZIP code <b>JOHN TAXPAYER ANYTOWN, MA 00000</b>	
9 Advance EIC payment	10 Dependent care benefits
11 Nonqualified plans	12 See instructions for box 12 C e g
13 <input type="checkbox"/> Rollover <input type="checkbox"/> Refund <input type="checkbox"/> Third-party a Other b c d e f g	14 Other p r s t u
15 State MA Employer's state I.D.	16 State wages, tips, etc. <b>23,116.77</b>
17 State income tax <b>939.33</b>	18 Local wages, tips, etc.
19 Local income tax	20 Locality name
Copy 2 <b>W-2</b>	State Filing Copy Wage and Tax Statement <b>2007</b>

### Important Reminder for State and Public Employees

On your W-2, there is a special amount shown for state wages, tips, etc. Generally, the amount shown for state wages is higher than the amount shown for federal wages because your pension contributions are excluded from your income for federal tax purposes.

When filing your Massachusetts income tax return, you must use the amount shown for state wages. If you enter the lower dollar amount, your return will be corrected and any refund you may be expecting will be delayed.

This sample W-2 shows where you will find the state wages.

Use this number on your Massachusetts income tax return.

### And Remember to E-File!

E-File is filing your Massachusetts return electronically through 1 of 3 methods offered by the Department of Revenue (DOR):

- **Telefile.** E-File by touch-tone telephone.
- **Paid preparer.** Thousands of preparers E-File federal and state returns.
- **Commercial tax preparation software and websites.**



**CALL OR CLICK. GET IT QUICK!**

### Why E-File?

- ★ **Less stress.** E-File prevents common mistakes and you get proof of filing
- ★ **Fast refunds and attractive payment options.** Refunds in 3-4 days. Direct deposit. If you owe, file now, mail a check later. Credit and check cards accepted with Telefile.
- ★ **Easy and convenient.** Have all calculations performed for you. Just press a button to file. E-File options are available 24/7.

Visit [www.mass.gov/dor](http://www.mass.gov/dor) to learn more about free e-file options.

[www.mass.gov/osc](http://www.mass.gov/osc)

# W-2

## Form Instructions

# 2007

### Tax Reporting for Commonwealth Employees

*Martin J. Benison*  
**Comptroller**



**Commonwealth of Massachusetts**  
**Office of the Comptroller**  
1 Ashburton Place 9th Floor  
Boston, MA 02108

**Box 1**

The **federal taxable income**, is equal to employee's Total Gross Pay from pay stub for period ending December 22, 2007 and paid on December 28, 2007.

**Plus**

- Cash and non-cash benefits listed in Boxes 12c, 14p, 14s, 14t, 14u

**Minus**

- Dependent Care Assistance Plan contributions and fees (Box 10)
- Tax Sheltered Annuity contributions (Box 12e)
- OBRA 90 Alternative Retirement Plan contributions and elective Deferred Compensation (Box 12g)
- Pretax Transit Pass (Box 14b)
- Pretax Retirement contributions (Box 14c)
- Pretax Health and Pretax Basic Life Insurance premiums (Box 14e)
- Pretax Health Care Spending Account contributions and fees (Box 14o)

**Box 5**

**Wages subject to Medicare tax**, is equal to employee's Total Gross Pay from pay stub for period ending December 22, 2007 and paid on December 28, 2007.

**Plus**

- Cash and non-cash benefits listed in Boxes 12c, 14p, 14s, 14t, 14u

**Minus**

- Dependent Care Assistance Plan contributions and fees (Box 10)
- Pretax Transit Pass (Box 14b)
- Pretax Health and Pretax Basic Life Insurance premiums (Box 14e)
- Pretax Health Care Spending Account contributions and fees (Box 14o)

**Box 13:** Retirement Plan: An "X" indicates a contributing member to the Commonwealth of Massachusetts Retirement System and/or Tax Sheltered Annuity Plan (403(b)).

**\*\*NEW FOR 2007\*\***

\*Commonwealth Connector Deductions are included in Box 14e

\*Non-cash Parking benefits are included in Box 14p

\*Federal imputed income for Non IRS Dependents is included in Box 14u

Shaded boxes in the sample W2 below are "Not Applicable"

**Box 2:** Total amount of federal tax withheld.

**Box 6:** Amount of Medicare tax withheld.

**Box b:** The Employer Identification Number (EIN).

**Box c:** The Commonwealth of Massachusetts is your employer.

**Box 10:** Total Dependent Care Assistance Plan (DCAP) deductions

**Box 12**

- **12c** - The cost of Group Term Life Insurance over \$50,000 – Imputed Income, included in Boxes 1, 5 and 16.
- **12e** - 403(b) Contributions made to a Tax Sheltered Annuity (TSA), excluded in Boxes 1 and 16.
- **12g** - Elective and non-elective (OBRA 90 Alternative Retirement) 457 contributions to the Deferred Compensation Plan SMARTPLAN excluded in Boxes 1 and 16.

**Box 14**

- **14a** - The amount of all Post-Tax Retirement contributions, applicable for voluntary buy back (make-up) retirement contributions.
- **14b** - The amount of pretax transit benefit.
- **14c** - The amount of all pretax contributions to the State Retirement Plan, the Higher Education Optional Retirement Plan and the County Retirement Plan.
- **14e** - Total amount of Health insurance and Basic Life insurance premiums paid on a pretax basis.
- **14o** - Total amount of Health Care Spending Account contributions and fees paid on a pretax basis, subtracted from Boxes 1, 5 and 16.
- **14p** - Total amount of the Non-cash Parking benefit, added to Boxes 1, 5 and 16.
- **14s** - Total amount of the Non-cash benefit for Use of State Vehicle, added to Boxes 1, 5 and 16.
- **14t** - Total amount of the Housing Allowance benefit, added to Boxes 1, 5 and 16.
- **14u** - Total amount of the Imputed Health benefit, added to Boxes 1 and 5

**Box d:** Employee's SSN as it appears in HR/CMS.

**Box e:** Employee's name, address and zip, as it appears in the HR/CMS payroll system.

**Box 9:** Total Advance Earned Income Credit.

**Box 17:** Total amount of state tax withheld.

**Box 16**

The **state taxable income**, is equal to employee's Total Gross Pay from pay stub for period ending December 22, 2007 and paid on December 28, 2007.

**Plus**

- Cash and non-cash benefits listed in Boxes 12c, 14s, 14t

**Minus**

- Dependent Care Assistance Plan contributions and fees (Box 10)
- Tax Sheltered Annuity contributions (Box 12e)
- OBRA 90 Alternative Retirement Plan contributions and elective Deferred Compensation (Box 12g)
- Pretax Transit Pass (Box 14b)
- Pretax Health and Pretax Basic Life Insurance premiums (Box 14e)
- Pretax Health Care Spending Account contributions and fees (Box 14o)

Generally, the amount shown for State Wages is higher than the amount shown for Federal Wages because the pretax retirement contribution is excluded from the taxable income for federal tax purposes. When filing the Massachusetts Income Tax Return, employees must use the amount in Box 16 for state wages.

1 Wages, tips, other comp. 21,300.44		2 Federal income tax withheld 2,287.03	
3 Social security wages		4 Social security tax withheld	
5 Medicare wages and tips		6 Medicare/tax withheld	
a Control number		OMB No. 1545-0008	
b Employer's ID number		04-6002284	
c Employer's name, address, and ZIP code COMMONWEALTH OF MASSACHUSETTS			
d Employee's social security number 000-00-0000			
e Employee's name, address, and ZIP code JOHN TAXPAYER ANYTOWN, MA 00000			
9 Advance EIC payment		10 Dependent care benefits	
11 Nonqualified plans		12 See instructions for box 12 c e g	
13 <input type="checkbox"/> Statutory <input type="checkbox"/> Retirement <input type="checkbox"/> Third-party employee plan each pay			
14 Other		P r s t u	
a b c d o			
15 State MA	Employer's state I.D.	16 State wages, tips, etc. 23,116.77	
17 State income tax 939.33		18 Local wages, tips, etc.	
19 Local income tax		20 Locality name	
Copy 2 W-2		State Filing Copy Wage and Tax Statement	
2007			